



UNITED STATES
DEPARTMENT OF
AGRICULTURE

RURAL
DEVELOPMENT

101 SOUTH MAIN STREET
SUITE 102, FEDERAL BUILDING
TEMPLE, TEXAS 76501
CF/MFH SECTION

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Rural Development TX AN No. 514 (1930-C)

June 22, 1999

SUBJECT: Wage and Benefit Matching for Multi-Family
Housing (MFH) Program

TO: All Offices
Rural Development, Texas

PURPOSE/INTENDED OUTCOME:

This Texas Administrative Notice (AN) supplements the National Office's AN No. 3290, dated October 23, 1996, now expired, to provide guidance to field staff in requesting and processing Wage and Benefit matching requests.

COMPARISON WITH PREVIOUS AN:

This AN replaces Texas AN No. 504, which expired April 30, 1999.

IMPLEMENTATION RESPONSIBILITIES:

A Memorandum of Understanding has been executed between Rural Development and the Texas Workforce Commission (TWC), formerly the Texas Employment Commission, allowing Rural Development to request wage and benefit information from TWC on tenants within our complexes.

In accordance with FmHA Instruction 1930-C, Exhibit B, VII D (1) and VII F and with AN No. 3290, Local Offices are required to conduct wage and benefit matching each year on at least 10 percent of all units within their jurisdiction. Normally, wage and benefit matching will not exceed a 20 percent level. Verification of income is encouraged for initial tenant certifications of persons moving into the complex for the first time and will be counted as part of the 10-20 percent. Wage and benefit matching should also be performed on Labor Housing residents whose eligibility or receipt of subsidy is determined in whole or part on wage or benefit data.

In cases where Rural Development is advised of suspected or confirmed falsification of income by a borrower or management agent, a wage and benefit matching request should immediately be prepared and sent to the State Office. Should the verification of income reveal that tenant household income exceeds the amount shown on the tenant certification form of \$240 to

EXPIRATION DATE:
June 30, 2000

FILING INSTRUCTION: Following
FmHA Instruction 1930-C

\$1000 annually, the local office will inform the borrower or management agent in writing using Attachment A. These discrepancies may be pursued as available resources and as priorities permit. When it appears unauthorized rental assistance has been provided to a tenant, the steps outlined in FmHA Instruction 1930-C, Exhibit B, VII F (v-vii) and FmHA Instruction 1951-N, should be followed in pursuing collection.

Income or improper assistance of \$1000 or more received by either a borrower or a tenant will be serviced in accordance with the provisions of FmHA Instruction 1951-N. Any recovery efforts must not begin without first having been assured that tenants have had the opportunity to review the accuracy of the information and appeal any disagreements in accordance with the provisions of FmHA Instructions 1944-L or 1951-N.

Requests for income verification relating to a supervisory visit, should be submitted at least 3-4 weeks prior to the scheduled supervisory visit. This will allow sufficient time for processing the requests. All wage information is confidential and is to be used only by Rural Development employees. This information may be shared with the borrower or management agent by informing them that our verification process has shown that the tenant income exceeds that shown on their tenant certification form. The actual report furnished by TWC is for our records only and should not be furnished to the borrower or management agent for their use.

All requests should be submitted in writing to the State Office, accompanied by a 3-1/2" computer disk containing the social security number for each individual requested. When typing the social security numbers on the computer disks, please leave out the dashes between the numbers, (i.e. 450901080).

If you have any questions, please contact Gayle Ledyard, Community Facilities/Multi-Family Housing Loan Specialist, in the State Office.

/s/ Steven A. Carriker

STEVEN A. CARRIKER
State Director